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FISCAL IMPACT STATEMENT

LS 6110
BILL NUMBER: SB 112

NOTE PREPARED: Jan 19, 2005
BILL AMENDED: Jan 18, 2005

SUBJECT: Academic Honors Diploma Awards.

FIRST AUTHOR: Sen. Meeks
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) The bill requires a school corporation to use money received as an academic honors diploma award for expenditures directly related to the school corporation's academic honors diploma program and program for high ability students. The bill requires a school corporation to prepare a report on how the award money was spent. The bill specifies that a school corporation shall make the report available for inspection by the Department of Education (the Department) and members of the public.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Summary:* Under the bill, local schools would no longer be permitted to distribute academic honors diploma award money to students receiving an honors diploma. Schools would only be able to use award money for the following: (1) staff training, program development, equipment, supplies, or other expenses directly related to the school corporation's academic honors diploma program; and (2) a school corporation's program for high ability students.

Under the bill, a school would be required to prepare an annual report on the programs and services that receive money from the academic honors diploma award. The reports would be required to be available to inspection by the Department and the public. Schools not submitting a report would not be eligible to receive their award until the reports were prepared and made available for inspection.

Background: The following table describes the number of schools and the amount of academic honors diploma monetary awards granted per school year.

School Year	Number of Schools	Amount Disbursed
2003-2004	68	\$1.7 M
2002-2003	64	\$1.6 M
2001-2002	67	\$1.7 M
2000-2001	56	\$1.2 M
1999-2000	49	\$0.85 M

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: DOE SAS and ORACLE DATABASES.

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